

HB

214

<target><bill>HB 214</bill><subject>HB
214</subject><comm>HFIN26</comm></target>

ALASKA STATE LEGISLATURE HOUSE FINANCE COMMITTEE

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HB 214 Sponsor Statement

“An Act authorizing the Department of Environmental Conservation to award grants for the control of air emissions or the development and administration of air quality control programs; and providing for an effective date.”

House Bill 214 provides statutory authority for the Department of Environmental Conservation (DEC) to grant funds for the control of air emissions or the development or administration of air quality control programs in the state. The authority is needed so that DEC can distribute funds available through the Air Quality Grant – Diesel Emission Reduction program in the American Recovery and Reinvestment Act of 2009. This program would provide \$2,000,000 to grantees for energy efficiency upgrades such as new, more efficient power generation equipment and public transportation vehicles.

Ausel, Joey K (DEC)

From: Beason, Laura K (DEC)
Sent: Tuesday, March 31, 2009 1:56 PM
To: Ausel, Joey K (DEC)
Subject: FW: Air Stimulus Funding

Joey, I received a message that message is undeliverable for some unknown reason. Can you please contact Paulyn and get her fax number and get this over to her. Thank you.

From: Beason, Laura K (DEC)
Sent: Tuesday, March 31, 2009 12:43 PM
To: Swanson, Paulyn M (LAA)
Subject: Air Stimulus Funding

Hi Paulyn I just wanted to follow-up on our conversation this morning about the needed granting authority. Shown below is some information Mike Maher sent to Larry Persily on Friday. The last section of this information contains the grant language that we would need in order for us to issue grants with this funding. Just wanted to make sure this would be included in case the funding did make it into the stimulus bill. If you have any other questions please let me know. Thank you.

Larry, the Air Non-Point Mobile Source program within the Division of Air Quality in DEC is responsible for mobile and area sources of air contaminants. As part of their responsibilities for mobile source they were assigned management of the grant funding being distributed by EPA under the State Clean Diesel Grant program. FFY08 was the first year of this allocation funding to states through a formula outlined in the Energy Policy Act of 2005. EPA's program is designed with the idea that states will fund grants or loan programs for clean diesel projects, but other competitive processes were allowed.

To distribute this funding DEC could execute agreements with other agencies or establish contracts or grants to municipalities and others throughout the state for projects such as:

- Purchasing and installing pollution controls on diesel engines for vehicle fleets such as bus or construction equipment fleets;
- Replacing older diesel generators in villages with newer, more efficient diesel engines;
- Repowering or replacing state, municipal or school bus fleets with cleaner, more efficient engines or vehicles;
- Providing plug-ins and other means to reduce the need to idle diesels in cold weather; and
- Converting vehicle fleets from diesel power to cleaner fuels such as natural gas or propane.

A variety of entities are eligible for this funding, they are:

- Regional, state, local, tribal or port agencies with jurisdiction over transportation or air quality;
- Nonprofit organizations or institutions that represent or provide pollution reduction or educational services to persons or organizations that operate diesel fleets;
- Entities whose principle purpose is the promotion of transportation or air quality

In FFY08 DEC received \$295,320. To date projects identified as eligible for this funding this fiscal year include:

- Alaska Energy Authority to conduct a feasibility assessment of operating a small organic rankine cycle powered generator utilizing waste heat from the exhaust stack of a diesel engine.
- Alaska Department of Transportation diesel equipment retrofits.
- Alaska Railroad diesel equipment retrofits and assessment of anti-idling technologies.
- Contract to be issued for other diesel emission reduction projects throughout Alaska.

The funding available for the diesel emissions program through the American Recovery and Reinvestment Act of 2009 provides approximately \$2.0 million to support the efforts of Alaska State Clean Diesel Grant programs.

Allowing DEC granting authority would allow a distribution of funding to other entities beyond governmental agencies or contractors. The statutory language we need in order to have this granting authority would be something like the following:

Section 1. AS46.14 is amended by adding a new section to read:

Sec 46.14.535. Grants: (a) Subject to appropriation, the department may award grants of federal or other funds received by the department for the control of air emissions or the development or administration of air quality control programs in this state.

(b) The department may adopt regulations under AS44.62 (Administrative Procedure Act) to carry out the purposes of this section.

If you have any questions please let me know.

Laura Beason, Division Operations Manager
Information & Administrative Services
Environmental Conservation
907-465-5273 (phone), 907-465-5097 (fax)

FISCAL NOTE

STATE OF ALASKA
2009 LEGISLATIVE SESSION

Fiscal Note Number: _____
Bill Version: HB 214
() Publish Date: _____

Identifier (file name): HB214-DEC-AQ-4-3-09
Title: Grant Authority for Air Quality
Sponsor: House Finance Committee
Requester: House Finance Committee
Dept. Affected: Environmental Conservation
RDU: Division of Air Quality
Component: Air Quality
Component Number: 2061

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	Appropriation Required	Information						
		FY 2010	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
OPERATING EXPENDITURES								
Personal Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Travel	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Contractual	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Supplies	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Land & Structures	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Grants & Claims	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES								
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CHANGE IN REVENUES ()								
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1037 GF/Mental Health	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Interagency Receipts	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2009) cost: 0.0

POSITIONS

Full-time							
Part-time							
Temporary							

ANALYSIS: (Attach a separate page if necessary)

There is no fiscal impact to DEC associated with this legislation.

Prepared by: Keri S. Hubbard, Administrative Officer II
Division: Air Quality
Approved by: Dan Easton
Deputy Commissioner

Phone 907-269-3010
Date/Time 4/3/09 4:55 PM
Date 4/6/2009

